

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION**

In re: O'BENCO IV, LP <div style="text-align: right;">Debtor.</div>)))))	Chapter 11 Case No. 19-60384 (BP)
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**NOTICE OF SELECTION OF SUCCESSFUL BIDS AND BACK-UP BIDS
AT AUCTION FOR DEBTOR'S ASSETS**

PLEASE TAKE NOTICE that pursuant to the *Order Approving Stalking Horse Bid Protections and Amending Bidding Procedures* [Dkt. No. 102] (the "Amended Bidding Procedures Order")¹, O'BENCO IV, LP, as debtor and debtor in possession, (the "Debtor") conducted an auction (the "Auction") on August 21, 2019, at 9:00 a.m. (CT) in the Houston offices of Bracewell LLP, 711 Louisiana Street, Suite 2300, Houston, Texas 77002 for the Debtor's oil and gas assets.

A. Stalking Horse Assets

At the conclusion of the Auction, the Debtor determined in its reasonable business judgment after consultation with the Agent that ETXENERGY, LLC ("ETX" or the "Successful Bidder for the Stalking Horse Assets") submitted the highest and best Qualifying Bid for the Debtor's Stalking Horse Assets² with a cash bid of \$26,950,000³ (the "Successful Bid for the Stalking Horse Assets").

¹ Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Amended Bidding Procedures Order.

² The "Stalking Horse Assets" are generally those assets originally identified as the "Oil and Gas Assets" in the Stalking Horse APA, subject in all respects to the specific terms of the asset purchase agreement between ETX and the Debtor.

³ In addition to the cash portion of its purchase price, ETX has agreed to modify its asset purchase agreement to reduce the "Net Cash Flow" (as defined in section 8.10 of the asset purchase agreement) from \$910,000 per month to \$875,000 per month.

Furthermore, at the conclusion of the Auction, the Debtor determined in its reasonable business judgment after consultation with the Agent that FPCC USA, Inc. (“FPCC” or the “Back-Up Bidder for the Stalking Horse Assets”) submitted the next highest and best Qualifying Bid for the Debtor’s Stalking Horse Assets with a cash bid of \$26,700,000 (the “Back-Up Bid for the Stalking Horse Assets”).

B. Kansas, West Texas, and Other Assets

At the conclusion of the Auction, the Debtor determined in its reasonable business judgment after consultation with the Agent that Pachira Oil and Gas, LLC (“Pachira” or the “Successful Bidder for Kansas, West Texas, and Other Assets”) submitted the highest and best Qualifying Bid for the Debtor’s Kansas, West Texas, and Other Assets⁴ with a cash bid of \$3,400,000 (the “Successful Bid for Kansas, West Texas, and Other Assets”).

Furthermore, at the conclusion of the Auction, the Debtor determined in its reasonable business judgment after consultation with the Agent that combining the bids of (a) Ritchie Exploration, Inc. for the Kansas Assets in the cash bid amount of \$2,451,000 and (b) O2 Energy, LLC for the West Texas and Other Assets in the cash bid amount of \$924,000 (Ritchie Exploration, Inc. and O2 Energy, LLC together, the “Back-Up Bidder for Kansas, West Texas, and Other Assets”)⁵ comprises the next highest and best Qualifying Bid for the Debtor’s Kansas, West Texas and Other Assets with a combined cash bid of \$3,375,000 (the combined bid to be referred to as the “Back-Up Bid for Kansas, West Texas, and Other Assets”).

⁴ The “Kansas, West Texas, and Other Assets” are generally those oil and gas assets in Kansas, West Texas, and other locations that were not included as “Oil and Gas Assets” in the Stalking Horse APA, subject in all respects to the specific terms of the asset purchase agreement between Pachira and the Debtor.

⁵ The “Kansas Assets” and “West Texas and Other Assets”, as used in relation to the Back-Up Bid for Kansas, West Texas and Other Assets are the “Oil and Gas Assets” as defined in the asset purchase agreements of Ritchie Exploration, Inc. and O2 Energy, LLC, respectively.

C. Objection Deadline

Pursuant to the Amended Bidding Procedures Order, objections, if any, to the Successful Bidder for the Stalking Horse Assets, the Successful Bid for the Stalking Horse Assets, the Successful Bidder for Kansas, West Texas, and Other Assets, or the Successful Bid for Kansas, West Texas, and Other Assets and manner in which the Auction was conducted must be in writing and filed with the Bankruptcy Court on or before 4:00 p.m. (Prevailing Central Time) on August 26, 2019.

D. Sale Hearing

Pursuant to the Amended Bidding Procedures Order, a hearing will be held before the Honorable Bill Parker of the United States Bankruptcy Court for the Eastern District of Texas on August 30, 2019, at 10:00 a.m. (CT), at which the Debtor will seek entry of an order approving, authorizing, and directing, among other things, the sale of the Stalking Horse Assets to the Successful Bidder for the Stalking Horse Assets, and the sale of the Kansas, West Texas and Other Assets to the Successful Bidder for the Kansas, West Texas, and Other Assets in accordance with the terms of each relevant asset purchase agreement.

Respectfully Submitted,

BRACEWELL LLP

By: /s/ William A. (Trey) Wood III

William A. (Trey) Wood III
Texas Bar No. 21916050
Trey.Wood@bracewell.com
Jason G. Cohen
Texas Bar No. 24050435
Jason.Cohen@bracewell.com
711 Louisiana, Suite 2300
Houston, Texas 77002
Telephone: (713) 223-2300
Facsimile: (713) 221-1212

**COUNSEL TO O'BENCO IV, LP, AS DEBTOR AND
DEBTOR IN POSSESSION**